



November 2, 2016

[Name]

[Address]

[Address]

[City, State 00000]

Re: *National Wholesale, Lexington, NC – Notice of Breach of Customer Information*

Dear Friends and Valued Customers:

National Wholesale values the relationship it has with its customers and takes the confidentiality of our customers' information very seriously. We work very hard to maintain the confidentiality of that information. Unfortunately, we are writing to notify you of an incident that may involve some of your information.

On October 14, 2016, National Wholesale discovered that it had been the victim of a computer related incident. Unknown individuals targeted our website and inserted harmful code. This code allowed unauthorized individuals to monitor the information our customers typed into the website when placing an online order. We believe that the information of 14,281 of our customers may have been compromised; we are notifying you because our records indicate that you placed an order on www.shopnational.com during the relevant time periods.

National Wholesale immediately removed the malicious software, began an investigation, and engaged IT security firms to assist in repairing and securing our website. We also reported the incident to the FBI. Findings from the investigation show that if a customer placed an order on our website from September 1, 2016 through October 15, 2016, information associated with the order being placed, including the customer's name, address, phone number, email address, payment card number, expiration date and credit card security code (CVV) may have been obtained by unauthorized individuals. If you placed an order as an existing National Wholesale customer during this same time period, your username and password to your account may have also been exposed. Please be aware that National Wholesale does not receive or retain your credit card information when you place an order. However, given the nature of this incident, it is possible that your credit card number was intercepted when you typed it into the website.

We encourage you to take immediate steps to protect yourself from any unwanted use of your information that may occur as a result of this incident and to remain vigilant regarding the possibility of identity theft or fraud. For example, you should consider taking the following steps:

- Monitor your credit report on a regular basis and report any irregular activity to your bank or credit card company, because major credit card companies have rules that restrict them from requiring you to pay for fraudulent charges that are timely reported;
- If you are an existing customer and used a username/password, we recommend that you change your password to your National Wholesale account;
- You should consider placing a fraud alert on your credit report. By placing a fraud alert on your credit report, any time someone tries to take out a loan or otherwise use your information to obtain credit, you will be contacted to verify whether the activity is legitimate;
- You can add or remove a fraud alert at any time by contacting the three major credit reporting bureaus (Equifax, TransUnion, and Experian). There may be a fee associated with certain fraud alert services; further information is available from the three major credit reporting bureaus;

- You may periodically obtain credit reports from each nationwide credit reporting agency. If you discover information on your credit report arising from a fraudulent transaction, you should request that the credit reporting agency delete that information from your credit report file; and
- Under federal law, you are entitled to one free copy of your credit report every twelve (12) months from each of the three nationwide credit reporting agencies. You may obtain a free copy of your credit report by going to www.AnnualCreditReport.com or by calling (877) 322-8228.

You may contact the nationwide credit reporting bureaus at:

Equifax	Experian	TransUnion
(800) 525-6285	(888) 397-3742	(800) 916-8800
(888) 766-0008 (fraud alert)	P.O. Box 4500	(800) 680-7289 (fraud alert)
Equifax Consumer Fraud Division	Allen, TX 75013	Fraud Victim Assistance Division
P.O. Box 740256	www.experian.com	P.O. Box 2000
Atlanta, GA 30374		Chester, PA 19016
www.equifax.com		www.transunion.com

In addition to the above, you may contact the Federal Trade Commission (“FTC”) or law enforcement, including your Attorney General, to report incidents of identity theft or to learn about steps you can take to protect yourself from identity theft. To learn more, you can go to the FTC’s website at www.consumer.gov/idtheft, call the FTC at 877-IDTHEFT (877-438-4338), or write to Federal Trade Commission, Consumer Response Center, 600 Pennsylvania Avenue, NW, Washington DC 20580.

National Wholesale has stopped this incident. We are continuing to take steps to protect you and the confidentiality of your information and to prevent any future incidents of this kind. As mentioned above, we reported this incident to the FBI; our reporting of this incident to law enforcement has not delayed our notification to you.

The safety and protection of your private information is one of our greatest concerns. Be assured that we take the privacy of your personal information seriously and will continue to implement improvements to keep safe all personal information we maintain. If you have any questions or concerns about this incident, please contact us by phone at 336-224-6419, by email at security@national-wholesale.com, or by mail at 400 National Blvd, Lexington, NC 27292 Attn: Carol Snow.

Sincerely,

National Wholesale

IF YOU ARE AN IOWA RESIDENT: You may contact local law enforcement or the Iowa Attorney General's Office to report suspected incidents of identity theft. You can contact the Iowa Attorney General at:

Office of the Attorney General
1305 E. Walnut Street
Des Moines, IA 50319
(515) 281-5164
<http://www.iowaattorneygeneral.gov/>

IF YOU ARE A MARYLAND RESIDENT: You may obtain information about avoiding identity theft from the FTC or the Maryland Attorney General's Office. These offices can be reached at:

Federal Trade Commission
Consumer Response Center
600 Pennsylvania Avenue, NW
Washington, DC 20580
(877) IDTHEFT (438-4338)
<http://www.ftc.gov/idtheft/>

Office of the Attorney General
Consumer Protection Division
200 St. Paul Place
Baltimore, MD 21202
(888) 743-0023
www.oag.state.md.us

IF YOU ARE A NORTH CAROLINA RESIDENT: You may obtain information about preventing identity theft from the FTC or the North Carolina Attorney General's Office. These offices can be reached at:

Federal Trade Commission
Consumer Response Center
600 Pennsylvania Avenue, NW
Washington, DC 20580
(877) IDTHEFT (438-4338)
<http://www.ftc.gov/idtheft/>

North Carolina Department of Justice
Attorney General Roy Cooper
9001 Mail Service Center
Raleigh, NC 27699-9001
(877) 566-7226
<http://www.ncdoj.com>

IF YOU ARE A RHODE ISLAND RESIDENT: Please contact state or local law enforcement to determine whether you can file or obtain a police report in regard to this incident. In addition, you can contact the Rhode Island Attorney General at:

Office of the Attorney General
150 South Main Street
Providence, Rhode Island 02903
(401) 274-4400
<http://www.riag.ri.gov/>